expenditure, the funded debt will within a few years be entirely liquidate..

The importance of banking in its relation to industry and commerce demands for it, in view of the considerations thus enumerated, careful and timely attention.

The question is complicated by the fact that for a whole generation our people have been schooled in a system of bank note issues secured by pleakes in the hands of a public trustee. It is not a good system, but it ought not to be yielded until in some other form adequate guaranties for the solvency of bank note issues are provided.

The problem is a two-fold one: how to with-

assumed by the Government, obnoxious as it may be to the general principles of Governmental action. It is by such action that the situation as it exists has been evolved. Upon the Government, therefore, rests the duty of sceing it properly solved.

Some years of experience along the line suggested will prove what is an adequate provisional tax for the security of note holders, and will allow such amendments as time will justify, involving as one of their features a complete withdrawal of the Government squaranty from bank note issues.

L. J. GAGE, Secretary.

To the Speaker of the House of Representatives.

COUDERT WILL CASE SETTLEMENT.

Arranged Out of Court.

for an adjournment on consent, stating that negotiations were pending which he expected

would result in a settlement of the case without

a trial. He said there remained only a few

points to dispose of to reach a settlement, and

they would probably be adjusted before the case

came up again. On his motion it was adjourned

Mr. Coudert, who was a brother of Frederic

R. Coudert, and a member of the law firm of

Coudert Brothers, left two wills. One executed

March 20 last left his estate to his widow, and

An Enthusiastic Manager.

It would be hard to find a more pronounced

FINE PICTURES

HOLIDAY PRESENTS

Arthur Tooth & Son's

to the first Monday in January.

When the contest over the wills of Charles Coudert came up in the Surrogate's Court yesterday for trial John Townshend, counsel for the contesting widow, Marie M. Coudert, asked

Beffett for 1807, \$18,000,000; for 1809.

528,000,000, and for 1809, 531,647,885 Secretary Gage's Currency Reform Schemes The annual report of the Secretary of the Treasury, emitting the repetition of infor-mation embodied in the reports of the several sub-departments, first gives the usual statement of receipts and disbursements for the past fiscal year, with estimates for the two succeeding years, and concludes with an elaborate plan for the reform of the national

And revenues of the Governmen	
sources for the fiscal year ended Jur	16 30, 1897,
Oustoms	
	146,688,574
	140,000,074
Profits on coinage, bullion deposits, and	
BESSYS	7,239,813
District of Columbia	8,566,180
Fees-Consular, letters patent, and land.	2,881,555
Binking fund for Pacific rallways	2,277,173
Tax on national banks	1,972,500
Mavy pension and navy hospital	
funds, &c	1,122,889
Repayment of interest by Pacific rail-	
Ways	942,148
Elscellaneous sources	913,119
Sales of public lands	864,581
Sales of Indian lands	845,419
Oustoms fees, fines, penalties, &c	586,827
Beimbursement for cost of water supply,	
District of Columbia	881,097
Immigrant fund	809,936
Bales of Government property	202,712
Deposits for surveying public lands	128,820
Boldlers' Home, permanent fund	126,617
Sales of lands and buildings under	
special sets	81,819
Depredations on public lands	
Sales of ordnance material	48,868
Postal service	82,605,462
Total receipts	480,397,167
The expenditures for the same peri	od were:
Civil establishment, including foreign intercourse, public buildings, collect-	

ing the revenues, bounty on sugar District of Columbia, and other mis-and harbors, forts, arsenals, and sea-Mayal establishment, including con-

armament, equipment, and improvements at navy yards..... 141,059,164 ncy in postal revenues 11,149,200

In addition to the ordinary revenues collected luring the year the cash in the Treasury was increased by the following sums: From national bank fund deposited under act of July 14, 1890 in excess of bank notes redeemed, \$4,356,614.50 and from he issue of 4 per cent, bonds in liqu dation of interest accrued on refunding certificates converted during the year, \$1,240, making a total of \$4,357,854.50. FISCAL YEAR 1898.

basis of existing laws:	- upon the
Customs	\$165,000,000
Internal revenue	156,000,000
Miscellaneous sources	24,000,000
Postal service	90,227,076
Total estimated revenues	8441,227,076
The armenditures for the same new	

The revenues of the Government for the curment fiscal year are thus estimated upon the

mated as follows: Civil establishment. Interest on the public debt..... Total estimated expenditures \$469,227,076

FISCAL YEAR 1899. It is estimated that upon the basis of existing

laws the revenues of the Government fiscal year 1899 will be:	
Customs	\$200,000,000
Internal revenue	165,000,000
Miscellaneous sources	25,000,000
Internal revenue. Miscellaneous sources	99,874,647
Total estimated revenues	8482,874,647
The estimates of appropriations r	equired for

Total estimated revenues	8482,874,647
The estimates of appropriations r the same period, as submitted by the scutive departments and offices, are	several ex-
Legislative establishment	84,465,582
	20,025,484
	687,620
	1,550,428
	24,620,048
	29,919,539
Indian affairs	7,875,611
Pensions	141,257,70
Public works	73,364,14
Miscellaneous	85,187,42
Postal service, including \$6,048,112.63	117
deficiency in postal revenues	98,922/60
Interest on the public debt	84,50,000
Refunding-customs, internal revenue,	THE PARTY OF THE P
&c	8,80,000
Collecting revenue from customs	5,00,000
Misoellaneous	20/76,220
The lastimated appropriations avalu-	
sive of sinking fund	850.522,538
Gran estimated deficit of	£1,047,885
	The estimates of appropriations rithe same period, as submitted by the coutive departments and offices, are Legislative establishment. Executive establishment. Judicial establishment. Foreign intercourse. Military establishment. Kaval establishment. Javal es

THE CUBRENCY. In their respective annual reports Congress my predecessors since the close of the civil war have called attention with unfailig regularity to the menace to the public crest occasioned by the continued use of the large olume of demand liabilities, represented by selegal tender notes, and have constantly applied for such legislative action as would remove the dangers pointed out. Although these varnings and appeals have not as yet met will the responsive action that their serious nagre justifies, it is not now the part of wisdom y ignore them. In fact, as time has gone on, alythe reasons upon which these warnings and ppeals were based have received additional fore. The enormous depreciation in the commercial value of silver, as compared with gold, as greatly increased the financial responsibilities of the Government in its demand liabilities, ad all the logical con-sequences of the fact shold be boldly faced.

Under the act of 1878 equiring the purchase and coinage of silver implemented and enlarged by the so-called Sherman act of 1890, there were outstanding une 30, 1897, the sum of \$410,337,570 in silv dollars or certificates representing them. Inder the act of 1890 there were also outsanding \$114,867,280 in Treasury notes cloted with the quality of

In the act of Nov., 1893, repealing the purchasing clause of ie act of 1890, it was de-clared to be the poly of the United States to secure by safeguars of legislation "the parity to value of the cois of the two metals (gold and allver) and the equ! power of every dollar at all times in the inflicts and in the payment of Conformable take spirit of this declaration.

the Treasury Deartment in all its operations has treated gold nd silver coins, and the paper representatives feach, as of equal dignity and value. In the election of its revenues, whether in the form of keise taxes or of existons dues, has made iscrimination against neither. while upon the other hand it has held itself ready to pay to le public creditor whichever of the two he ment choose to receive as the more desirable to him. Even further than this, it has everared itself ready, whenever necessary to the maintenance of this parity, to excenge on even terms, at the pleasure of the boider, either form of the me-tallic money # the other. These practical operations an declarations were n cessary, and they haveperated to keep in concurrent circulation occurs of equality the two kinds of metallic mey, notwithstanding the vary-

ing and never-ceasing disparity between the natural or commercial value of the one as com-pared with the other. Nevertheless, it must be recognized that this undertaking involves large financial responsibility, and requires proper and adequate legislative provisions for its continued execution. \$100,000,000 GOLD RESERVE INSUFFICIENT.

The responsibility of the Government in this

espect means that in addition to its liability

RECOMMENDATIONS.

ADVANTAGE TO BE GAINED.

AMENDMENTS TO THE NATIONAL BANK ACT.

AMENDMENTS TO THE NATIONAL BANK ACT.

An enlarged issue of bank notes thus contemplated would require a number of amendments to the present national bank act. These amendments shauld be made onl upon such conservative lines as will, while granting the necessary aid to the business world in facilitating exchanges, in nowise weaken the system, or leasen the stability of the notes to be issued. The

Migh-Grade Plumbing Pixtures. The Meyer-Sniffen Co., Ltd., 5 East 19th st.—Adv.

complaint uttered against the national bank set as it now atands is not directed toward the method of bank organization or the absolute safety guaranteed to the note holder. It is directed toward those restrictions it embodies, which result in its failure to accomplish the full benefit it ought to carry. The requirement of the law now makes it impossible to organize a bank with a capital of less than \$50,000, no matter how small the place in which it is to be located, or how restricted the volume of business there to be transacted. Because of that, with the added expense of taxation, both national and local, many communities are deprived of the aid of banks of issue and ourdened with onerous rates of exchange and interest charges. for redemption in gold on demand of \$346,000. 000 of legal tender notes, it must also hold charges.

In order to obviate to as great an extent as possible these defects and make the act more harmonious with proper business conditions, I recommend that it be amended in the following itself in readiness to redeem in like manner \$114,000,000 of the Treasury notes of 1890, and to maintain through its Treasury the free interchangeability with gold, any part or all of \$470,000,000 in silver now current with our people. The aggregate of these liabilities amounts to \$930,000,000. It is not intended to convey the idea that the Government will ever be called upon to pay at any one time or over any one peried of time, however pro

possible these defects and make the act more harmonious with proper business conditions, I recommend that it be amended in the following particulars:

First—Permit national banks to be organized with a minimum capital of \$25,000 in any place having a nopulation of 2,000 inhabitants or less. Second—Reduce the raic of taxation on circulating notes secured by doposit of bonds to one-half of 1 per cent. Per annum.

Third—Permit banks now organized or hereafter to be organized to issue circulating notes to the par value of the refunding bonds hereinbefore suggested, when deposited by them with the Treasurer of the United States; and, further, allow such banks, as shall avail themselves of the opportunity, to deposit as security with the Treasury of the United States; and, further, allow such banks, as shall avail themselves of the opportunity, to deposit as security with the Treasury notes, or allow certificates to a total amount of \$200,000,000, against which there shall at once be issued to them by the Comptroller of the Currency national bank notes to an equal amount, it being turther provided thatfrom time to time, at his convenience, the Secretary of the Treasury shall substitute for the greenbacks, Treasury notes, and silver certificates so deposited to secure circulation, bonds of the same class and character as the refunding bonds first named to the amount of \$200,000,000, such bonds to be chargeable to said banks and by them accounted for at such price (not less than par) as the market quotations may indicate to be their fair market value. During the period of time intervening between the deposit of greenbacks, Treasury notes, and silver certificates and the substitution of the bonds by the Secretary of the Treasury the circulating notes specifically issued therefor shall be exemnt from taxation. Upon such substitution of bonds the founds released thereby shall at once be transferred by the Secretary of the Dreasury to the Secretary of the Treasury to the capital they shall be permitted to issue bank notes tracted, the total of liability thus shown. It is, however, indispensable that the Treas ury be endowed with power and resource ample to meet all claimants who may come, and with margin sufficient to give full as surance to all who do not come, that its ability for continuance is unimpaired. The statement that the traditional \$100,000,000 of gold reserve is insufficient for these purposes need not be supported by argument. It is manifest. The recognized inadequacy of that amount has on more than one occasion brought fear and derangement to all interests-industrial, commercial, and financial. The losses suffered by the body politic through these de suitered by the body politic through these derangements having their origin is the state of
the public Treasury cannot be named, although it is not beyond the limit of reasonable
estimate to say that the total of such losses exceeds the total of the demand liabilities of the
Treasury, as above set forth. If it be urged in
answer to these considerations that the state of
the Treasury is fairly satisfactory now, that
gold is flowing freely toward the Treasury and
not away from it, and that there is a good state
of confidence in our present financial condition, the answer must be received as
a perfectly correct one. It might be further
urged with probable truth that these favorable
conditions will endure for an indefinite period.
With public revenues sufficient for public expenditures, and a reasonable surplus accumulating; with trade relations normal, with ample
crops carrying fair rewards to agriculture, with
no war or well-defined rumors of war, we might go
on with a growing sense of security. Unfortunately the continuance of these good conditions
cannot be assured to us. Commerce and industry, sensitive to all unfavorable events, and
watchful with anxiety against dangers as yet
unseen, need for their full recovery from next
reverses and depression a renewed confidence
that the Government's finances are to be firmly
placed on stronger and more enduring foundations than now exist.

As long as the Government shall operate to rangements having their origin in the state of

Government to all circulating notes of the bank whether issued against deposited security or against assets.

Sixth—To secure the Government against loss, if any, attaching to its guaranty a tax of 2 per cent, per annum on unsecured circulation shall be levied to create a safety fund, which fund shall be invested by the Secretary of the Treasury and the Comptroller of the Currency in Government bonds. In addition to such funds the Government shall be further protected by having a first lien upon all assets in case of failure of the issuing bank.

Seventh—All notes shall be redeemed in the city of New York at the Sub-Treasury, and at such other sub-treasuries as may be designated by the Comptroller of the Currency with the approval of the Secretary of the Treasury. The control of such redemption shall be under the direction of the Comptroller of the Currency and made from a redemption fund of 10 per cent, to be provided and maintained by the banks.

Eighth—Restrict the issue of national bank notes to the denomination of \$10 and upward. ARGUMENTS IN FAVOR OF THE PLAN.

reverses and depression a renewed confidence that the Government's finances are to be firmly placed on stronger and more enduring foundations than now exist.

As long as the Government shall operate to any important extent in supplying the currency of the country by the direct issues of its notes and by maintaining, through its guarantees of parity, so large a volume of silver money, so long will all our trade and industries remain in a state of dependency upon the financial wisdom, foresight, and courage of Congress. This forced dependency on the one part begets corresponding responsibility on the other.

Considered from the standpoint of national defence the argument is reinforced. We appropriate millions to create a navy, which, through the genits of invention, may speedily become obsolete and worthless. We appropriate other millions to provide coast defences against attacks which may never be made. Such action, timely and wise as it may be, is inconsistent with a Treasury condition so extended in a time of peace as to bring panic and alarm to our own people before the first sound of the enemy's guns. In modera days a well-supplied war chest with an impregnable credit is as important as are warships, shore batteries, or regiments of men. The advantages of a strong position in the national Treasury, with its accompanying benefits to all commercial interests and great reinforcement of the public credit, can, I believe, be secured without any unsettling legislation, in a manner easy to be comprehended by all, and with smsf cost to the peonle.

The recommendations I make must be construed not as being in themselves final measures, but mither as tentative steps in a direction which, consistently pursued, will lead to conditions ultimately desirable. The condition of the Treasury n its relation to demand obligations requires that one of two steps promptly be taken. The one may be a large reinforcement of the pernanent gold reserve; the other may be by an important reduction in the objection able form of liabilitie ARGUMENTS IN PAVOR OF THE PLAN.

An examination of the plan herein proposed will show that the amendments suggested are not of a distinctly radical character. It is believed that banks organized under the national bank act, with these amendments, would, within the limitations named, give upon a thoroughly safe basis a desirable credit currency, and lead, as the result of time and experience, ultimately to freedom of issue. A careful investigation of the commercial conditions of the country at different periods of the year shows how essential to those sections depending upon the prompt moving of the stanle crops of cotton, wheat, and corn is a bank note issue which enables the local bank to supply its enstoners with the means necessary for such purpose within the shortest period of time and at the lowest cost. Such an investigation will also indicate the shortest period of time and at the lowest cost. Such an investigation will also indicate how inadequate is the Government note to meet these exigencies. The Government notes, like gold, or coal, or sait, or lumber, exist at a given time in fixed amounts. The local bank note, on the contrary, is, within lead limitations, subject to increase at the point where needed, and the needs of the community unite with the motive of the banker in supplying these wants as they find expression. In illustration of this point attention is called to the extent to which the crop-producing sections of the country are now dependent as borrowers of money upon other sections.

RECOMMENDATIONS.

First—I recommend that proper legislation be enacted which will establish, separate and apart som the ordinary operations of the Treas of an expenditures, a department to be designated and known as the issue and redemption division. To this division the sum of \$125,000,000 in gold should be set over from the general fund in the Treasty, to be used only for redemption purposes and all the silver collars now held for redemption of silver certificates, and all the silver collars now held for redemption of silver certificates, and all the silver collars now held for redemption of silver certificates, and all the silver foliars now held for redemption of silver certificates, and all the silver foliars coined therefrom bought under the act of 1890, should be passed to it is same account. Further, that the sum of \$206,000,000 in the legal tender notes of the United States, known as greenbacks, be collected as hereinafter described and deposited in the said issue and redemption division, to be discursed therefrom only upon the receipt in exhange therefor of an equivalent amount of gold coin, such gold, when so secured, to be held insaid division as part of the general redemption fund.

Second—Trecommend that provision be made to the save of refunding lean bonds anywhile. dependent as borrowers of money upon other sections.

The national banks located in the Southern States have an aggregate capital of \$68,680.000. On Oct. 6, 1896, they had borrowed, largely from banks in the East. to assist in handling the cotton crop, \$13,548,000. On March 9 following these loans had been reduced to \$2,516,200. They succeeded in borrowing for a part of their needs, but commercial necessities required more. With proper banking facilities the necessity for such borrowing now existing would be reduced to a minimum.

I am confident that under an act allowing a greater liberality of issue and less burdensome rates of taxation those banks would find it to their interest to issue, instead of \$18,950,000, the amount which they have at present outstanding, a sum equal to the full amount of their capital, and, in addition, in the season of crop activity, an additional unsecured volume of circulation approximating 25 per cent. of their capital.

From data gathered from the records of the office of the Comptroller of the Currency it is

their capital.

From data gathered from the records of the office of the Comptroller of the Currency it is found that during the existence of the national banking system 330 associations, having a combined capital of \$55,000,000 have been placed in the hands of receivers. Of the number of those in this list whose affairs are fully closed only 18, having a capital of \$1,610,000, would have failed to pay in liquidation an amount sufficient to fully provide for their circulating notes, had such notes been outstanding to the full limit, as herein contemplated, at the time of their failures, respectively. The deficiency would have required to cover it a contribution from the guaranty fund of but \$194,829. Had the whole number of 330 failed associations maintained in current use an amount of note issues count to 25 per cent. of their capital, as herein proposed, the 2 per cent, tax on such circulation would have produced the sum of \$2.45,140,48 available to meet the deficit of \$194,824, shown to have resulted from the failure of the eighteen banks which failed to yield from their own assets the amount that would have been necessary to provide for all their own outstanding credit currency. the fund.

Second—I recommend that provision be made for the issue of refunding loan bonds, payable for ten years at the pleasure of the Government, such bonds to bear interest at the rate of the greent, per annum, payable, principal and interest, in gold coin; and that the Secretary of the Treasury be authorized to issue such bonds and receive in payment therefor, with an equitable allowance for the difference in interest, any part or all of the outstanding loans of the United States which mature by their terms of payment in the years 1904, 1907, and 1925.

ADVANTAGE TO BE GAINED.

THE PREJUDICE IN FAVOR OF GOVERNMENT CURRENCY. THE PREJUCICE IN FAVOR OF GOVERNMENT CURRENCY.

In submitting these recommendations, I am not unmindful of the convictions, preconceptions, and prejudices so widely prevalent among the people in much that relates to our currency and banking system. It will at once appear to many that the proposal herein made to place in conditional retirement the sum of \$200,000,000 in our legal tender (greenback) issues is a discrimination against a form of paper money which, under the influence of a worthy sentiment, has become to them a symbol of the unity and power of the nation's life. A little reflection, however, will lead to a conclusion quite to the contrary of such an inference. Bearing in mind the fundamental truth upon which this argument rests, namely, the necessity for a reduction in the volume of demand liabilities, now constituting a menace to the public Treasury, it is, economically speaking, a matter of indifference whether this reduction be made in the volume of silver, silver certificates, Treasury notes, greenbacks, or in some agreed-upon proportions

Dayment in the years 1904, 1907, and 1925. ADVANTAGE TO BE GAINED. The advantage involved in the proposed action lies in this: It removes an ambiguity from our contract obligations—an ambiguity which; affects unfavorably the Government credit. The word "coin" now used to express the obligation in the public debt, is an ambiguous word. It is no doubt understood by the more discriminating public creditor to mean gold coin, and the solemn act of Congress pledging the maintenance of silver coin upon a parity with gold coin makes it impossible to construct the word "coin," as therein used, to mean anything other than gold or its full equivalent. Yet as this is a conclusion of logic rather than a clear statement of fact, the simpler and more humble investors or would-be investors in the public debt are confused and doubtful, and the public credit is the weaker therefor. Nor is the course thus recommended without wise precedent. The carlier issues of our Government bonds were payable in "dollars." With greenbacks a legal tender, with gold and silver on a substantial commercial parity, but both at a large premium over paper money, a similar question arose, What did "dollars" mean! And in 1859, "to remove all doubt upon the subject," an act was passed solemnip pledging the faith of the United States to the payment in coin or its equivalent of all its interesthearing obligations, except when otherwise expressly provided in the law. The commercial disparity between our "legal-tender dollars" and "coin dollars" was not then essentially greater than the present commercial disparity between silver and gold. This act of 1869 was judicious. To refund our outstandin, bonds now payable in coin into bonds payable in gold would strengthen and confirm the public credit and put us in a position to command the markets of the world for our securities on the most advantageous terms. It may be urged that the adoption of a specific to would strengthen and confirm the public credit and put us in a position to command the markets of the world for our securities on the most advantageous terms. It may be urged that the adoption of a specific form of payment for the public debt would be inimical to the spirit of a qualifying clause in the reputaling act of 1893, which reads: "And it is hereby declared to be the policy of the United States to continue the use of both gold and silver into money of equal intrinsic and exchangeable value." If this objection be raised, it loses all force when we consider the only two methods by which the gold and silver coins now in concurrent use with us can be so continued as to maintain the "parity in value of the coins of the two metals and the equal power of every dollar at all times in the market and in the payment of debts." One of the semethods is familiar to us, since it has been in daily use in our financial system since 1879. The other method would consist in so advancing the coinage value of silver by international agreement or otherwise as to establish such a commercial equality between the two that the present artificial method could be safely abandoned. There is nothing in the proposition now under consideration to interfere with the purpose to secure an inauguration of the latter method. It must, however, be admitted to be a method which, if adopted, will operate to throw under consideration to interfere with the purpose to secure an inauguration of the latter method. It must, however, be admitted to be a method which, if adopted, will operate to throw under consideration so interfere form of paper money must be allowed to ill the vacuum which would otherwise be occasioned. The national bank note now familiar focur people is the readlest and most practical grant to accomplish that object, and under reasonable conditions it will be found responsive to the conditions it will be found responsive to the West 14 h St. PERTHWA 1807 "RELIABLE" **CARPETS**

THE HOLIDAY AIR

pervades every nook and corner here. Christmas hints for all sorts of household prettiness and comfort abound. In rugs, for instance, are luxurious gifts at "low tariff"

AXMINSTER RUGS. 6.6x9.8.....\$10.75 8.8x10.10...... 16.50

Easy chairs, picturesque "grandfathers" hairs, charming little upholstered beauties for a indy's boudoir-everything in the way of chair comfort.

Quality never rose higher than here now, and prices never dipped so low. CASH OR CREDIT

OWPERTHWAIT & O. 104, 106 and 108 West 14 th St. NEAR 6TH AV.

NEW GALLERIES, Smoklyn Stores: Flatbush Av. near Failan St BOO PIPTH AVE., COR. SIST ST. DEAD HORSES ON THE TRAIL 3,000 OF THEM SCATTERED ALONG

it to Said 8,000 of Last Pall's Pilgrims Mave

of each; but the Meteorical fact is that it has been through the groenback, the only unalloyed credit note of the Genome that the medical content of the content of the medical content Probably Reached Dawson Some Canadian Mounted Police Will Try to Get Through to the Upper Yukon During the Winter MONTREAL, Dec. 7.—Harry Wilson, a mining engineer who left this city on Aug. 7 with a party of nine for the Klondike, has returned for supplies. He left the other members of his party in their winter quarters in the woods, three miles from Lake Bennett, Wilson says that under the snow along the route between Dyes and Lake Bennett lie the bodies of at less 3,000 horses, representing in value nearly \$300. 000. About 6,000 persons, he estimates, have crossed the White Pass to Lake Bennett, and of this number probably 3,000 have reached Daw son. The other half are in winter quarters be tween Lake Bennett and Dawson. On an average the 6,000 persons are equipped at the rate of \$1,500 a man, which would give a total of \$9,000,000 represented in the parties using the White Pass trail. There are about 700 persons all in comfortable circumstances, camped along White Pass trail between Skagway and Lake Bennett. There is no destitution among the parties camped on this side of the Yukor River. Beyond that and approaching Dawson City it is hard to say how those in winter quar ters are faring. They are out of reach of com munications. Between Lake Bennett and Skag-way 150 log cabins have been creeted and their inmates are all right and are looking forward to a bright and early start in the spring.

"The probabilities are that in the early spring before the trail breaks up the White Pass will be much used. When the frost has gone, how-ever, it must result in a falling off of parties going that way. The dead horses, for one thing, will be unbearable and the trail will revert to its old condition when the frost is out of the ground."

Commissioner Kerchmer of the Northwest munications. Between Lake Bennett and Skag

will be unbearable and the trail will revert to its old condition when the frost is out of the ground."

Commissioner Kerchmer of the Northwest Mounted Police, whom Wilson met on his way to Montreal, informed him that there will start from Edmonton this week two parties of mounted police. They are really success parties. The route from Edmonton to Dawson is more or less untried. Inspector Snyder of the Northwest Mounted Police will follow the parties which have gone by the Lesser Slave Lake and Peace River. He will have four dog trains under his control. These will be utilized to carry mails, and the party will help administer justice along the route. Having reached the furthermost parties en route to Klondike, the inspector will return to Edmonton again and report to the authorities.

The second expedition, fitted out in a similar manner, will cover the route to Fort Simpson, the Greatt-Slave Lake, and the Mackenzie Hiver. Its duties will coincide with those of the party headed by Inspector Snyder. This act of paternalism on the part of the Dominion Government is approved by those who pretend to know the ins and outs of the Edmonton route.

Wilson has returned to Montreal to perfect lis outfit and make arrangements for extra supplies. These supplies will go north from British Columbia in February, and will be taken to Lake Bennett via the White Pass on dog sieds, and by March Wilson hopes to have his party moving in the same manner over the frozen water stretches between Lake Bennett and the Yukon, where in June it is expected the whole party will embark in their boat and proceed to Dawson City and begin their search for gold.

PIKE COUNTY'S FIRST HANGING Wife Murderer Schultz Put to Death in a

MILFORD, Pa., Dec. 7.-Herman Paul Schultz formerly of New York city, convicted on the Shohola, was hanged in the little stone jail here

The Rev. Mr. Lassiter stood beside Schultz at the gallows and supported him slightly. Schultz was perfectly cool and collected and smiled at times. He made a statement in which he said that he was innocent of the crime of which he had been convicted, but that he for-gave all who had been connected with his prose-cution. He then kneir with his spiritual adviser and repeated the Lord's Prayer, slowly and dis-The importance of banking in its relation to industry and commerce demands for it, in view of the considerations thus enumerated, careful and timely attention.

The question is complicated by the fact that for a whole generation our people have been schooled in a system of bank note issues secured by pledges in the hands of a public trustee. It is not a good system, but it ought not to by yielded until in some other form adequate guaranties for the solvency of bank note issues are provided.

The problem is a two-fold one: how to withdraw the specific form of security now provided, since it will ultimately disappear, and how to provide a substitution which will be recognized by the people as adequate security, and which will at the same time allow to banks within well-guarded limits the most useful freedom in their note issues. The problem is too large, its results too far-reaching, to be solved off hand or by expert dictum. It solution must be gradually reached by the path of safe experiment. To allow national banks to their capital upon a payment of 2 per cent, of their capital upon a payment of 2 per cent, of their capital upon a payment of 2 per cent, or their capital upon a payment of 2 per cent, or their capital upon a payment of 2 per cent, or their capital upon a payment of safety fund upon stration drawn from the Comptroller's office, a proposition well within the limits of safety. Nevertheless, whatever risk there is should be assumed by the Government, ohonoxious as it may be to the general principles of Government action. It is by such action that the such capital the back careful to the Sheriff with a smile; ynotice. The Rev. Mr. Lassiter read the in its voice. The Rev. Mr. Lassiter read the linity, not the slightest trem or being notices that the singular reprote for the slightest trem or being notices. The fact the singular reproved to maintain his control. When the elergyman had finished Schultz rose and remarked to the Sheriff with a smile; not elected to the Sheriff with a smile; not elected to

CUT ENGINEER NORTH'S SALARY. Instead of \$68,000 for Work He Is Doing. Gen. Collis asked the Board of Estimate yes

erday for \$68,000 for painting and scraping the 155th street viaduct, which work is in charge of Consulting Engineer North of the Public Works Department. Mr. North was present, and had a very unpleasant half hour. "We have already given you \$11,000 for this job." Comptroller Fitch said to him. "and you have frittered it away experimenting with patent sand-blast arrangement to remove the old paint which is a new and untried method. I certainly will not vote for any such sum as Gen. Collis asks for. certainly will not vote for any such sum as Gen. Collis asks for."

The Mayor also told Mr. North that he should have let the board know that he was making experiments. The sum of \$15,000 was finally appropriated for the work.

A few minutes later the item of \$5,000 for Mr. North's salary in the Public Works Department estimate was reached.

"I move to cut the item to \$4,000," asid Comptroller Fitch. "Mr. McLean, the engineer of my department, gets only \$4,000 a year, and I don't think, Mr. North is worth any more."

Mr. North's salary was reduced to \$4,000 a year. His first experience in the Public Works Department was under Commissioner William Brookfield, who appointed him Water Purveyor. Later Gen. Collis made him consulting eng neer of the department.

WITNESSES DIDN'T APPEAR. Tewspaper Men Failed to Respond at Troy's Bribery Investigation.

March 20 last left his estate to his widow, and the other, executed May 7, left the bulk of his estate to his children, saying that he had aiready provided for his widow. He named his brother as executor in each will. The widow alleged that the last will was procured by undue influence when her husband was mentally incompetent. She presented the first will for probate. The children apposed the probate of the first will on the ground of undue influence. It is said that between the dates of the two wills Mr. Coudert made some valuable real estate over to his wife. TROY, N. Y., Dec. 7 .- A secret meeting of the ommittee appointed by the Board of Supervisors to examine into rumors of bribery and corruption against various members of the board, and various alleged illegal charges in the bills presented against the county, was held this afternoon. Among those subposnaed to appear were H. O'R. Tucker, proprietor, and George H. Powers, business manager of the Troy Daily Press.; M. F. Collins, proprietor of the Troy Observer: District Attorney Wesley O. Howard, and Supervisors Derrick and Dustin. Tucker and Collins did not appear. Supervisor Dustin testified that a brite had been offered him and that he had seen the money.

He declined to tell the reporters after the adjournment whether he had been asked to reveal the name of the person who had attempted to bribe him. Supervisors Derrick, Crefl, and White had only hearsay evidence to give. Late this afterneen a number of other persons were suppensed, and they will be called to testify at to-morrow's session of the committee. Troy Daily Press; M. F. Collins, proprietor of enthusiast on the subject of cooking by gas than the manager of the Astor House. He will tell you with pride of his having been one of the very first to introduce the process in his own home, and as for the gas ulant in the hotel, why, he regards it as invaluable. Hapidity and perfection of broiling he claims in the highest degree for gas, and, if you are skeptical about it, he is ready to take you down to the hotel kitchen and demonstrate the matter before your face and eyes. "Broil half a chicken." he orders the chef. and adds, "Now, out with your watches, gettlement!" A bare five minutes passed, and there is the chicken broiled more perfectly than it could have been over a coal five in fifteen minutes. Then comes toastmaking, for which gas is simply unrivalled. The firm, golden-brown crust incloses the tender inside in a way to make you see that toast made by gas is a wholly different article from the burnt and chip-like thing that too often passes by that name. There is, in fact, no question at the Astor House of cooking by gas being any longer in an experimental stage. It is a triumphant success, which already makes the coal range look as obsolete as a turnspit.—Adv. enthusiast on the subject of cooking by gas

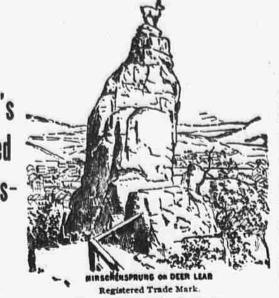
MRS. RUDD PLEADS GUILTY. the Admits Robbing Mrs. Cress-Bouglas-

Sentence Suspended. Mrs. Emmeline Rudd, the widow of Commo dore John Rudd, U. S. N., who was arrested few days ago on a charge of grand la ceny made by Mrs. Jennie M. Cross-Douglas, who lives at

avenue, made an assignment yesterday to Eman-uel G. Bach, giving preferences aggregating

A FREE TRIAL.

York, will send a PREE SAMPLE of Kutnow's Improved Effervescent Powder, postpaid, to every person who will drop them a postal, giving name and address and



Indorsed by

A Pleasant Tasting and Effective Remedy For Indigestion, Disordered Liver, Biliousness, Diabetes, Constipation, Hemorrhoids, Stomach Troubles, and Uric Acid Diseases, such as Rheumatism, Gout, Eczema, &c.

SEDENTARY HABITS. HOW TO RECONCILE THEM WITH GOOD HEALTH.

The problem of the day is how to reconcile sedentary habits with good health. We all, perhaps, walk too little and eat injudiciously. Wealthy people can afford time and money to go to a European mineral spring. They return cured and set up in health to resist the attack of the diseases which lie in wait for modern men and women. To any sufferer from sluggish liver, acid dyspepsia, gout, rheumatism, and kidney disorder, the hope of a real cure seems something too good to hope for. Yet Kutnow's Improved Effervescent Powder undoubtedly. plays the part of such a cure. It restores the recalcitrant liver to its proper usefulness, banishes the miseries of constipation, gout and rheumatism, and gives back the clear skin, the bright eye, the alert gait of health.

The medicinal virtues of the waters are exactly reproduced by the ingenious expedient of desiccating the salts which contain the active principle of the mineral water, and combining them with effervescents, so that all the waters can do, Kutnow's Powder will do, far more pleasantly, cheaply and efficiently.

The first result of sedentary habits is CONSTIPATION. Kutnow's Powder is extremely: beneficial in constipation. It promotes the natural flow of bile (Nature's own purgative) and stimulates the worm-like writhings of the intestines by which the body is freed from waste matter. It disperses congestions of blood, obviating the causes of piles, inflammation of the bowels, etc. The body is freed from all gaseous and fermentive refuse, and the intestines left in

From MADAME LOUISE DOTTI (formerly of the Covent Garden Opera). "Having derived such great benefit from Kutnow's Improved Effervescent Powder, it is with much pleasure that I can thoroughly recommend it as being most excellent for purifying the system and preventing corpulence."

MADAME LA COMTESSE IDA MARCHETTI DE MONTESTRUTTO, Champs Elysee, Paris, highly recommends Kutnow's Improved Effervescent Powder. From WILLIAM TERRISS, the popular Actor. "I have much pleasure in giving you a hearty recommendation, for whenever I feel run down from overwork a dose of your powder acts as a corpus redivivus."

SOLD BY ALL DRUGGISTS. Should, however, the slightest difficulty be found apply direct to

KUTNOW BROS., 13 Astor Place, N. Y. City, Sole Agents for S. KUTNOW & CO., Ld., Prop., 41 Farringdon Road, London, E. C., Eng. Price 85c. per bottle; 15c. extra for postage, if to be mailed.

THE NEW AXMINSTER FABRIC

"Ne Plus Ultra"

The finest and most durable pile carpeting yet produced. Made in a great variety of designs. Suitable for the highest class furnishings.

W. & J. SLOANE,

BROADWAY AND 19TH ST.

AGED PAIR OVERCOME BY GAS. Moyer, Who is 77, May Recover-His Wife, Who Is 75, Is Likely to Die. Augustus Meyer, aged 77 years, and his wife

Annie, who is 75 years old, have occupied a flat

over William Graff's butcher shop at 1743 Broad-

way, Brooklyn, for four years. The house is owned by Graff. His flat is on the opposite side of the hall. When he left the flat at 7 o'clock yesterday morning to go to his store he smelled gas. He traced it to the flat occupied by the old couple, and rapped on the kitchen door. There was no reply, and Graff broke in the door.

The rooms were filled with gas, and Meyer and his wife were found insensible in their bedroom. Gas was escaping from an open burner. Graff sent after Dr. Henry Jacckel of 1408 Bushwick avenue, and a policeman called an ambulance. Surgeon Lee and the doctor worked in vain for more than an hour to resucceded in partly restoring Meyer to consciousness. Mrs. Meyer was still insensible last night, and her condition was considered critical.

Mrs. Graff told the police that the old couple were in comfortable circumstances, and she was satisfied that the gas was turned on accidentally and not with suicidal intent.

FRENCH 31 UNION SQUARE

BIGAMY IN CANADA.

The Crime Increasing on Account of the Difficulty of Getting Divorces.

TORONTO, Dec. 7.-Bigamy seems to be on the increase in Canada, and, according to Judge increase in Canada, and, according to Judge Macdougall, the lack of inexpensive facilities for obtaining divorces is the cause. At present a person wanting a divorce in Canada has to make application to Parliament, and the cost is about \$1,000. Addressing the Grand Jury today, Judge Macdougall said there had been an unusual number of cases of bigamy in Ontario recently, and he expressed his intention of dealing severely with such crimes. Canada, he thought, should have a divorce court, where the humblest citizen of the country could have his case heard.

WALTHAM WATCHES.

Every watch movement that leaves the factory of the American Waltham Watch Company has the word "Waltham" engraved on the plate. That name is a full guarantee by the Company which has more Watches in use throughout the world than all other American companies combined.

For sale by all jewelers.

St. George, S. I., was arraigned in the County Court at Richmond yesterday, Mrs. Rudd pleaded guilty, and Judge Stephens suspended sentence. Mrs. Cross-Dongias alleged that Mrs. Rudd stole a number of rings and some clothing. The articles were found in Mrs. Rudd's spart-Benjamin Nathan, dealer in shoes at 219 Sixth

\$11,050 for borrowed money. The preferences are to the Head of the Metropolis, \$1,200; Samare to the 15-28 of the Metropolis, \$1,200; Samuel Nather as trustee of Rachel Lazarus, \$1,000; Am-ila Nathen, \$1,500; Lewis Z. Bach of this city and Samuel Nathan of Paterson, N. J., jointly \$5,600; Samuel and Henry Nathan, both of Paterson, jointly \$1,000; Samuel Nathan, \$2,250; Henry Nathan, \$500. Mr. Nathan estimates that his liabilities will amount to about \$40,000 and that his assets will about equal that amount.